

Financing Freight Projects

There are several types of federal and state funds that can be used to pay for capital freight projects. Among these are:

- Federal TEA-21 Highways Programs –
For the most part based on formulae
- Federal Borders and Corridors Program –
A competitive grant program
- Federal Discretionary Funds –
Sometimes referred to as congressional earmarks
- Special Federal Funding –
Often but not always competitive grants. Funds programs such as Intelligent Transportation Systems.
- State Motor Vehicle Fund –
Sometimes referred to as the “gas tax.” These funds can only be used for highway/roadway projects.
- State Transportation Multi-modal Account –
State funds that can fund transportation projects that have other than highway/roadway applications
- State Essential Rail Account –
State funds available to preserve essential rail service
- State CERB/REV Funds –
A grant/loan program administered by the Community Economic Revitalization Board. Funds are available to ports or local governments and can fund freight projects.
- Ports, Local Governments and the Private Sector –
On occasion, these entities have combined their funds with WSDOT funds to finance freight projects.
- Special or Unanticipated Funding –
A good example of this type of funding is “oil rebate funds,” which financed the original Grain Train.

While the majority of WSDOT freight projects have straightforward funding packages consisting of state and federal funds, the same is not true for organizations like FAST or FMSIB. Funding for FAST and FMSIB projects frequently involves a mix of all funding sources available.

2002 Transportation Revenue Bill and Referendum 51

On March 14, 2002 the legislature passed a transportation revenue bill that contained a referendum clause for a vote by the people in November 2002. The referendum, known as Referendum 51 on the ballot, included a 9-cent increase in state gas tax, a one percent sales tax on the sale of vehicles and a 30 percent increase in gross weight fees for trucks. Projects funded by these revenues were intended to enhance road safety, ease congestion and improve freight mobility.

Referendum 51 (R-51) failed at the polls and the projects that would have been funded (known as “new law projects”) have been deferred indefinitely. Information about R-51 freight-related projects *only* (a subset of *all* new law projects), including maps, is found in [Appendix D](#). More information about Referendum 51 can be found at <http://www.leg.wa.gov/senate/scs/tran/2002overview.htm>

Possible new funding sources and best ways to spend existing funds for freight-related and other new transportation projects remains an ongoing issue for the department of transportation, the transportation commission and the state legislature.